## Appendix H COMMITTEE TYPES

## **Candidate Committee**

A Candidate Committee is the committee designated in a candidate's filed Statement of Organization as that individual's Candidate Committee and must be filed after the candidate meets the definition of a candidate under the Act. (See Definition of Candidate) Candidates seeking state, judicial, county, city, township, village and certain school offices in Michigan must file a Statement of Organization form and meet the other disclosure obligations provided under Michigan's Campaign Finance Act. This is true even if he or she uses personal funds to campaign; does not receive or spend any funds when seeking office; or is running a write-in campaign. A candidate may have only one committee for each office sought. A Candidate Committee is under the direction and control of the candidate. All money received or spent by a Candidate Committee is to be spent to further the nomination or election of that candidate or to pay expenses incidental to holding the elective office if the candidate is an officeholder.

A Candidate Committee may not accept contributions from the treasury funds of a corporation, joint stock company, labor organization, domestic dependent sovereign, from a person holding an interest in one of the three casinos located in Detroit or from foreign nationals.

As soon as a person becomes a "candidate" under the Act he or she is required to form and register a Candidate Committee. A candidate registers a Candidate Committee by filing a Statement of Organization with his or her filing official.

## **Political Committee, Independent Committee and Caucus Committee or (PAC)**

**Political Committee (PAC)** is formed to support one or more candidates and may also support or oppose ballot questions. A Political Committee may not accept contributions from the treasury funds of a corporation, joint stock company, labor organization, domestic dependent sovereign or from a person holding an interest in one of the three casinos located in Detroit. A Political Committee must observe the same contribution limits as an individual when making contributions to, or expenditures in support of, or in opposition to, the nomination or election of a candidate.

Two or more individuals acting together that receive or spend \$500.00 or more in a calendar year to influence voters must register as a Political Committee or as an Independent Committee (see below). Two or more individuals acting together that receive or spend \$500.00 or more in a calendar year to influence voters for or against the recall of a public official are required to register as a Political Committee.

**Independent Committee (PAC)** is formed to support one or more candidates and may also support or oppose ballot questions. An Independent Committee also may not accept contributions from the treasury funds of a corporation, joint stock company, labor organization, domestic dependent sovereign, from a person holding an interest in one of the three casinos located in Detroit or from foreign nationals.

An Independent Committee that meets the following three criteria may give a candidate for elective office ten times the amount a Political Committee or an individual is permitted to give the candidate.

- 1. registers as an Independent Committee at least six months before the election for which it expects to make expenditures at the maximum contribution limits in support of, or in opposition to, a candidate for nomination or election to an elective office;
- 2. receives contributions from at least 25 persons; and

3. in the same calendar year that the 25 contributions are received, expends funds to support or oppose three candidates for elective office. These three expenditures must not exceed the contribution limits applicable to an individual or a Political Committee. An Independent Committee must adhere to contribution limits applicable to a Political Committee until the committee meets all of the criteria listed above.

Please note: A committee that changes from a Political Committee to an Independent Committee must meet all criteria for an Independent Committee after filing the Amended Statement of Organization to make the change in committee type.

Corporations, labor organizations and Indian tribes that wish to make expenditures in candidate elections in Michigan may make expenditures for the establishment, administration and solicitation of contributions to a separate segregated fund to be used for political purposes. When the separate segregated fund has received or spent a total of \$500.00 in a calendar year to influence voters for or against the nomination or election of a state or local candidate in Michigan, or the qualification, passage or defeat of a ballot question in Michigan, the fund has met the definition of "committee." The "committee" must then file a Statement of Organization to register as a Political or Independent Committee within 10 calendar days after reaching the \$500.00 threshold.

An Independent Committee or Political Committee is required to include in the name of the committee the name of the person or persons that sponsor the committee, if any, or with whom the committee is affiliated. A person, other than an individual or a committee, sponsors or is affiliated with an Independent Committee or Political Committee if that person establishes, directs, controls, or financially supports the administration of the committee. A person does not financially support the administration of a committee by merely making a contribution to the committee.

• Caucus Committee (PAC) A "house political party caucus committee" is an Independent Committee established by a political party caucus of the Michigan House of Representatives. A "senate political party caucus committee" is an Independent Committee established by a political party caucus of the Michigan Senate. As of the writing of this manual, there are four caucus committees. Each major political party in the legislature may have one caucus committee in the Michigan House of Representatives and one caucus committee in the Michigan Senate.

**Note:** Independent Committees and Political Committees are both commonly referred to as "PACs" or Political Action Committees. Other names and labels are often applied to these types of committees, although the terms are not found in the Campaign Finance Act; e.g. Leadership PAC, Legislative PAC, Leadership Fund, Victory Fund, Majority Fund, Minority Fund, etc. All are either Political Committees or Independent Committees and must follow all the requirements of the Campaign Finance Act that are applicable to other Independent or Political Committees.

**Ballot Question Committee** is a committee that receives contributions and makes expenditures in support of, or in opposition to, the qualification, passage or defeat of a ballot question.

- A Ballot Question Committee is prohibited from making contributions or expenditures to influence the nomination or election of a candidate.
- A Ballot Question Committee is permitted to accept contributions from the treasury funds of a corporation, joint stock company, labor organization, domestic dependent sovereign or from a person holding an interest in one of the three casinos located in Detroit but may not accept money from foreign nationals.

The Act covers a ballot question committee as soon as an organization or group receives \$500.00 in contributions or makes independent expenditures totaling \$500.00 in a calendar year to influence voters for or

against the qualification, passage or defeat of one or more ballot questions in Michigan. An organization or group of persons that is covered by the Campaign Finance Act registers a committee by filing a Statement of Organization form with the appropriate filing official.

**Political Party Committee** is a committee formed by a state central, congressional district, or county committee of a political party. Each state central committee designates one official county political party committee in each county, and one official congressional district political party committee in each congressional district. An organization that is not the official state level organization designated congressional district organization or county level organization of a political party is not permitted to register as a Political Party Committee under the Act.

The Act covers a political party organization as soon as it receives or spends \$500.00 or more in a calendar year to influence voters for or against the nomination or election of one or more candidates or the qualification, passage or defeat of one or more ballot questions in Michigan. <u>All Political Party committees</u> file with the Bureau of Elections.